

STANDING COMMITTEE REPORT NO. 17-26

RE: C.B. NO. 17-31/T&C

SUBJECT: \$694,000 FOR FUNDING THE PROJECT
MANAGEMENT UNIT UNDER THE DEPARTMENT OF
TC&I FOR FY 2011

AUGUST 04, 2011

The Honorable Isaac V. Figir
Speaker, Seventeenth Congress
Federated States of Micronesia
First Special Session, 2011

Dear Mr. Speaker:

Your Committee on Transportation and Communications, to
which was jointly referred C.B. No. 17-31, entitled:

"A BILL FOR AN ACT TO APROPRIATE THE SUM OF
\$694,000 FROM THE GENERAL FUND OF THE FEDERATED
STATES OF MICRONESIA FOR THE PURPOSE OF FUNDING
THE OPERATIONS OF THE PROJECT MANAGEMENT UNIT
(PMU) FOR THE FISCAL YEAR ENDING SEPTEMBER 30,
2011, AND FOR OTHER PURPOSES.",

begs leave to report as follows:

Pursuant to Presidential Communication No. 17-56, the
President has requested supplemental funding in the amount
of \$694,000 for the operations of the Project Management
Unit, and the funding is from the FSM Infrastructure Sector
Grant for fiscal year 2011. Attached to P.C. No. 17-56 is a
Notice of Grant Award on this specific grant, which
apportioned the use of the grant as follows:

\$354,000	Personnel
\$19,000	Travel (Domestic only)
\$45,000	Contractual (leases for PMU staff and PMU state offices)
\$28,000	Consumable

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\$48,000	Equipment
\$200,000	Immediate transfer to reimburse Pohnpei schools contingency account

Your Committee held a briefing on the funding for the operation of the Project Management Unit on July 28, 2011 with Mr. Marcelino Aktouka, the Program Manager. According to Mr. Acktouka, the funding is to fund the operation of the PMU for six months. Since there are two months left for this fiscal year, PMU has to adjust the figure, especially in Personnel.

Your Committee has learned that PMU has already used \$150,000 in the FSM Trust Fund to pay for its operation pursuant to the Declaration of Emergency issued by the President. Your Committee therefore hopes that the President finds ways to reimburse the amount of \$150,000 taken from the FSM Trust Fund from this \$694,000.

Your Committee strongly recommends that salaries for the staff of PMU should be drawn from an approved list from the Division of Personnel rather than from drawn up contracts.

Your Committee on Transportation and Communications is in accord with the intent and purpose of C.B. No. 16-33 and recommends its passage on First Reading, and that it be placed on the calendar for Second and Final reading subject to the concurrence of your Committee on Ways and Means.

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Respectfully submitted,

/s/ Peter M. Christian
Peter M. Christian, chairman

/s/ Wesley Simina
Wesley Simina, vice chairman

/s/ Isaac V. Figir
Isaac V. Figir, member

/s/ Yosiwo P. George
Yosiwo P. George, member

/s/ Florencio S. Hapter
Florencio S. Harper, member

Berney Martin, member

Roger S. Mori, member